1963 annual report

Canada Iron

CANADA IRON FOUNDRIES, LIMITED

contents

REGISTRAR, THE ROYAL TRUST COMPANY,
MONTREAL, TORONTO, HALIFAX, WINNIPEG, VANCOUVER.

TRANSFER AGENT, MONTREAL TRUST COMPANY,
MONTREAL, TORONTO, HALIFAX, WINNIPEG, VANCOUVER

HIGHLIGHTS	1963	1962
Sales	$100,279,000	$110,009,000
Net Earnings	1,896,605	1,641,526
Capital Expenditures	4,002,553	2,338,648
Depreciation	2,289,612	2,585,837
Bank Advances & Funded Debt	17,459,882	23,798,756
Shareholders' Equity	28,670,230	27,765,208
Per Common Share (in dollars)		
Net Earnings	2.11	1.80
Dividends	1.00	1.00
Book Value	30.11	29.00

Annual Report for the year ended December 31, 1963

The forty-eighth annual general meeting of Shareholders will be held at the Head Office of the Company, 1121 Place Ville Marie, Montreal, P.Q., on the 26th March, 1964, at 11.00 o'clock in the forenoon. Shareholders will receive a formal notice of the meeting and a proxy form prior to the above date.

Canada Iron

Directors

D. W. Ambridge,
Chairman of the Board, ABITIBI POWER & PAPER CO. LTD., TORONTO, ONT.

Hon. F. Philippe Brais, Q.C.,
Partner, BRAIS, CAMPBELL, PEPPER & DURAND, MONTREAL, P.Q.

C. W. Carry,
Vice-President, CANADA IRON FOUNDRIES, LIMITED, EDMONTON, ALTA.

Ross Clarkson,*
Honorary Chairman of the Board, THE ROYAL TRUST COMPANY, MONTREAL, P.Q.

C. L. Gundy,
President, WOOD, GUNDY & CO. LTD., TORONTO, ONT.

Sidney Hogg,
Vice-President, CANADA IRON FOUNDRIES, LIMITED, VANCOUVER, B.C.

J. G. Kirkpatrick, Q.C.,*
Partner, HOWARD, CATE, OGILVY, BISHOP, COPE, PORTEOUS & HANSARD, MONTREAL, P.Q.

H. J. Lang,*
President, CANADA IRON FOUNDRIES, LIMITED, MONTREAL, P.Q.

M. W. Mackenzie,*
Chairman of the Board, CHEMCELL (1963) LIMITED, MONTREAL, P.Q.

A. D. McCall,
President, DRUMMOND, McCALL & CO. LTD., LACHINE, P.Q.

H. E. McKeen,*
Vice-President, CANADA IRON FOUNDRIES, LIMITED, MONTREAL, P.Q.

D. I. McLeod,
McLEOD, YOUNG, WEIR & CO. LTD., TORONTO, ONT.

T. F. Rahilly,*
Chairman of the Board, CANADA IRON FOUNDRIES, LIMITED, TORONTO, ONT.

F. A. Sherman,
Chairman of the Board, DOMINION FOUNDRIES & STEEL LTD., HAMILTON, ONT.

*Member of Executive Committee

Officers

T. F. Rahilly, *Chairman of the Board*

H. J. Lang, *President*

Ross Clarkson, *Vice-President*

H. E. McKeen, *Vice-President*

R. K. Carty, *Vice-President, Finance and Treasurer*

P. M. Draper, *Vice-President, Administration*

W. D. Moncur, *Secretary*

R. J. Bailie,
Vice-President and General Manager, TAMPER DIVISION

C. W. Carry,
Vice-President, WESTERN BRIDGE DIVISION

S. Hogg,
Vice-President and General Manager, WESTERN BRIDGE DIVISION

D. J. LaFontaine,
Vice-President and General Manager, MECHANICAL DIVISION

M. A. Leishman,
Vice-President and General Manager, STRUCTURAL DIVISION

R. Lyle,
Vice-President and General Manager, PIPE DIVISION

G. D. Turnbull,
Vice-President and General Manager, FOUNDRY DIVISION

C. M. Thomson,
Vice-President and General Manager, RAILWAY & POWER ENGINEERING CORPORATION, LIMITED

Directors' Report to the Shareholders

The financial results from the operations in 1963 exceeded many of the expectations of a year ago. Profit margin increased 16% over the previous year in spite of a 9% decrease in total sales volume. As a result of restrictive selling in an unfavourable market, the volume of structural steel produced was less than in previous years and accounted for nearly all of the decrease in the total sales of the Company. A new record for sales of electrical equipment and a satisfactory growth in the volume of specialized iron foundry products were major contributors to improved earnings and progress during the year.

The order backlog at December 31, 1963, exceeding thirty-five million dollars, was one of the largest in the history of the Company. The nature of this backlog indicates a satisfactory potential profit. At the end of 1963 it was announced that due to uneconomical operations, structural steel fabrication would be discontinued at the Company's plant in Montreal. This does not signify withdrawal from the industry as seven other plants will continue operations in well located areas. It is not expected that the closing of this plant will have a significant effect on the total Company sales in 1964 compared with last year's volume as prospects for increased sales in other lines appear to be good.

The anticipated expansion of new capital investment in Canada along with opportunities for export business is expected to increase the demand for Canada Iron products. Present manufacturing facilities are in excellent condition as all plants have been well maintained, utilizing the most modern and efficient equipment. Emphasis on research and engineering activities has resulted in the improvement of existing products, development of additional items, and will be a substantial factor for growth.

Earnings of $3,596,605 in 1963 before providing for income taxes were 8% higher than in the previous year. Profits after taxes rose by 16% to $1,896,605. This represents earnings of $2.11 a share compared with $1.80 in 1962. The net gain in earnings was attributable to better efficiency and generally improved operations despite increased labour costs and strong competitive conditions. With continued emphasis on more profitable lines a worthwhile improvement in earnings is indicated for 1964.

Dividends amounting to $181,709 were paid on the 4¼% Preferred shares and $809,874 to the holders of Common shares, for a total dividend payment of $991,583. Common share dividends of $1.00 a share were distributed in quarterly payments of 25¢ each.

Capital expenditures in 1963 amounting to $4,002,553 were lower than the budget of $5,000,000 as two major projects, the new concrete pipe plant in Ville d'Anjou and the modernization of the St. Thomas foundry, were not fully completed by year end. The carry-over of unfinished projects along with additional expenditures planned for 1964 will, in total, exceed five million dollars.

It is of interest to note that over 97% of both the Common and Preferred shares are registered as Canadian owned. The number of individual shareholders has remained relatively constant for a number of years at approximately five thousand.

Employment averaged 4,210 persons during the year. Wages and benefit policies have been under constant review and periodic adjustments and improvements have contributed to a high standard of labour relations within the Company.

The Board of Directors express thanks to all employees for efficient services and co-operation which made 1963 a year of satisfactory progress.

On behalf of the Board,

MONTREAL, QUEBEC
FEBRUARY 25, 1964

H. J. Lang

President

Operating Review

Financial Review

During the year bank loans were decreased by $5,493,874, and the funded debt by $845,000. The year-end figures in both cases were substantially less than in recent years and at the lowest level since December 31, 1956. Accounts receivable and inventories were substantially lower than at the same date last year. The liquidation of materials and work in process at the Montreal structural steel plant resulted in a small loss which was charged off to costs at the time of disposal. The remaining fixed assets will be liquidated early in 1964 and a net capital gain over book value is anticipated. The relocation of the concrete pipe and block plant will release an additional large parcel of land. This property is being offered for sale and a substantial capital gain on disposal is also anticipated.

The normal rates of depreciation allowed by the income tax regulations based on the diminishing balance method were used in establishing the amount to be charged to operations for all completed capital expenditures.

The Company intends to take full advantage as provided in the Income Tax Act by reporting income from contracts according to the progress method, and claiming accelerated depreciation on new machinery and equipment. A substantial part of the liability for income taxes has therefore been shown on the balance sheet as deferred and the income tax liability for the previous year re-stated for comparison.

During 1963 dividends totalling $113,338 received from partially-owned companies have been included with income from investments in the accompanying financial statements. The relationship with these companies which are listed below includes sales and manufacturing arrangements as well as ownership;

Canadian Controllers Limited

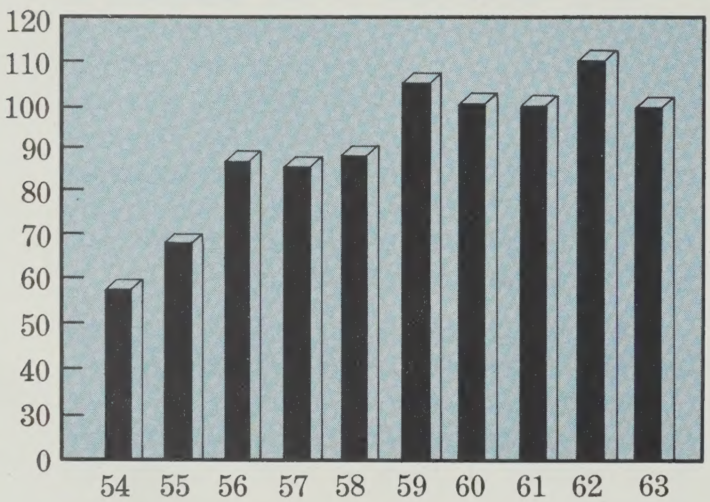
Amco Furnace Contractors Limited

Amco Technical Consultants Limited

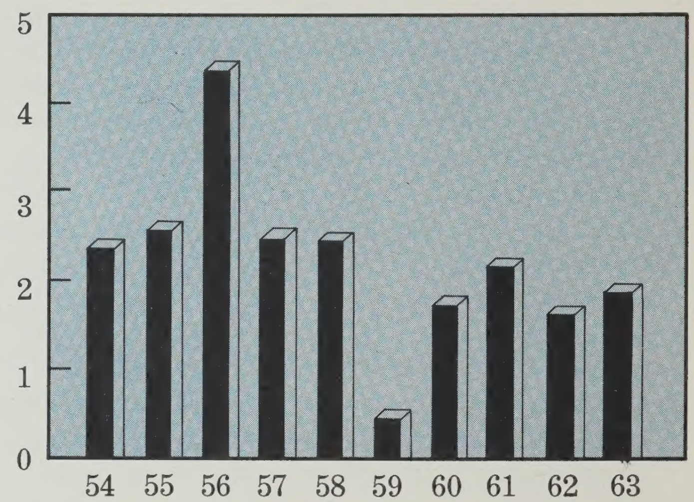
Canadian Ludlow Valve Manufacturing Co. Limited

Kamyr, Inc.

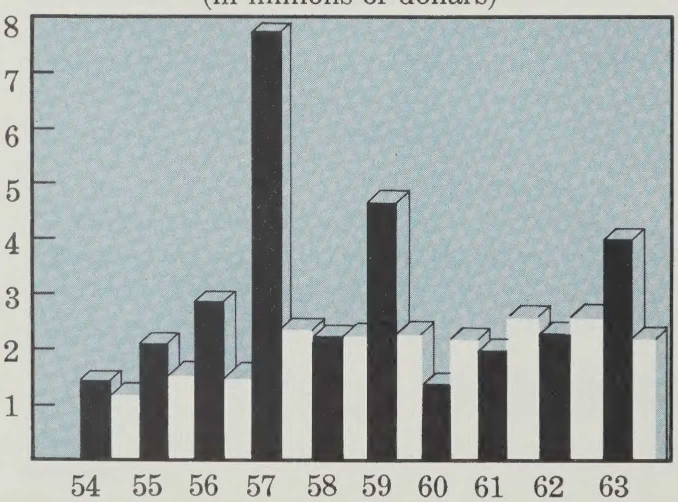
The H. I. Thompson Co. of Canada, Limited.



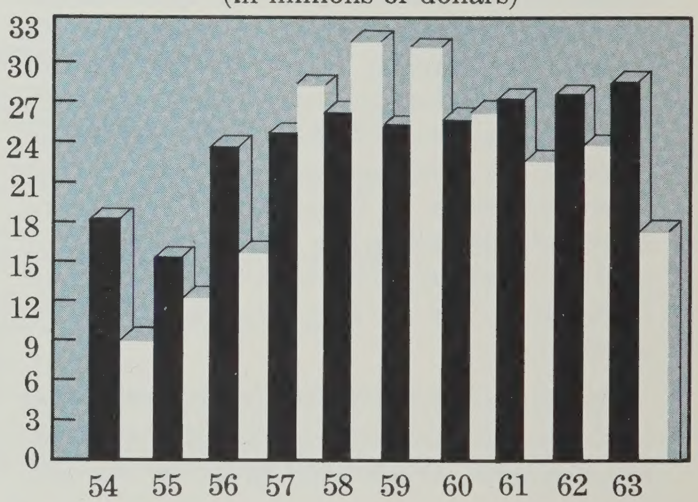
SALES
(in millions of dollars)



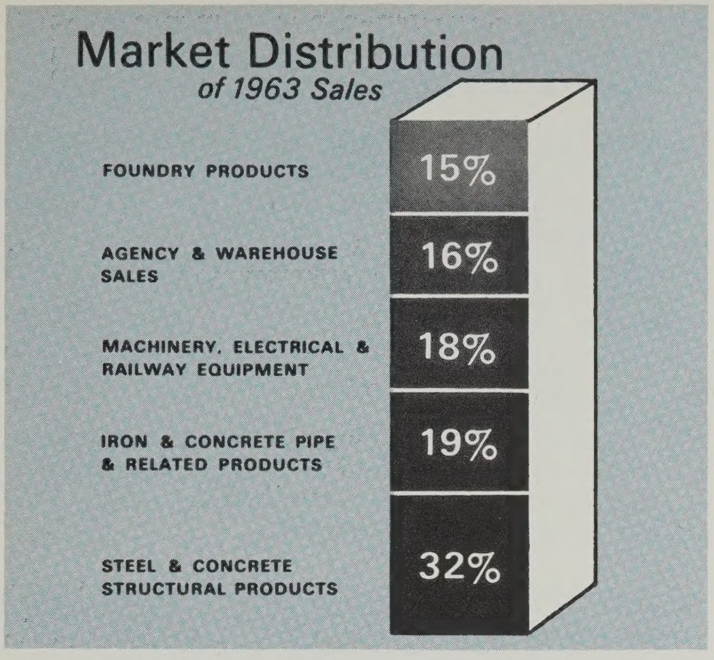
NET EARNINGS
(in millions of dollars)

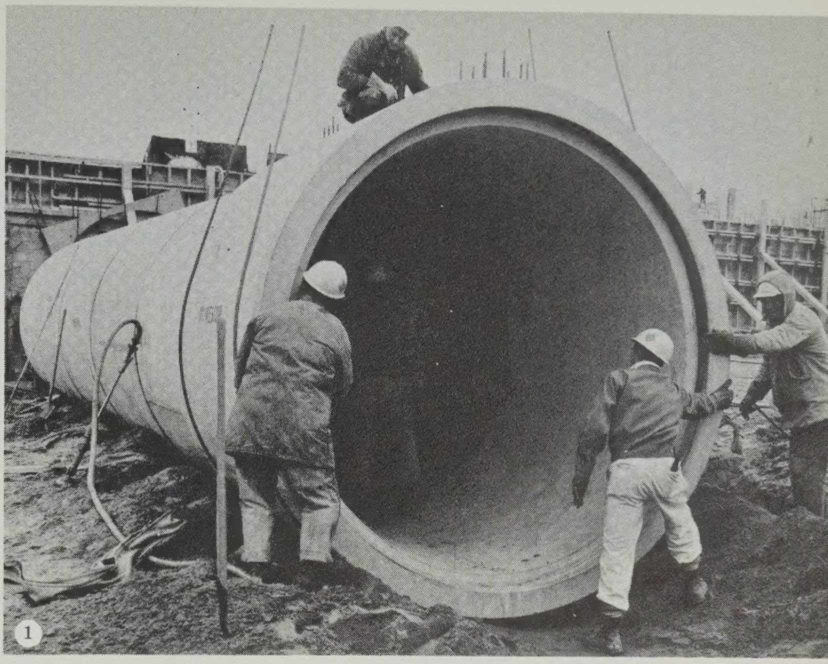


(in millions of dollars)



(in millions of dollars)

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Iron and Concrete Pipe

Total domestic sales of iron and concrete water pipe were lower in 1963 than in the previous year. The Company's relative participation in this market was maintained. Particular attention has been given to increasing exports in the South and Central American countries, with a measure of success, although competition from European suppliers, who traditionally have served this market, has been severe.

The new five million dollar concrete pipe plant located in the eastern section of Montreal Island will be in operation by mid-year. With the most modern equipment on the continent, Hyprescon* pipe will be produced in diameters of from 14″ to 72″ in both 16′ and 20′ lengths. A new helical welding machine will be employed to fabricate the steel cylinders required for the pipe and also provide facilities for a new line of products.

Manufacturing facilities for high grade sewer pipe are being installed to supply a complete range of pipe in diameters from 6 inches to 8 feet.

The new Montreal plant and the existing manufacturing units in Trois-Rivières and Toronto provide a good base from which to supply the Canadian market.

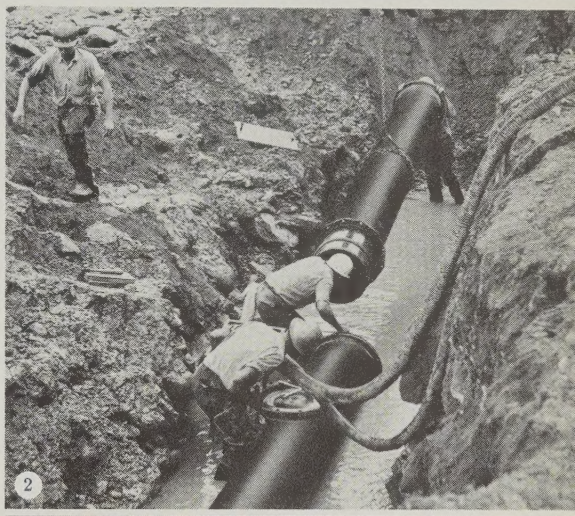
Steel and Concrete Structural Products

Canada Iron operates seven structural steel fabricating plants serving major markets across the country. In recent years, the fabrication and erection of structural steel has been the Company's largest single source of sales. The industry, however, has been beset with over-capacity and consequent narrow profit margins. As noted in another section of this report the largest structural steel plant, located in Montreal, which has been responsible for losses in recent years, was closed late in 1963. This action is expected to result in an immediate improvement in Company earnings.

In addition to regular bridge and building construction, a number of unusual structural steel applications were actively pursued. Two notable examples follow:

In collaboration with a European firm, the Company contracted to fabricate and install a complete conveyor belt system required to transport ninety million tons of earth fill a distance of over three miles for the Peace River dam in British Columbia. A unique accomplishment for our engineering staff was the design and fabrication of a roof for one of the Pacific National Exhibition buildings in Vancouver. The dome, measuring 225′ in diameter, is believed to be the lightest weight steel structure in the world for its size and load carrying capacity.

The new concrete block plant at Ville d'Anjou will be in operation by mid-year, employing the most modern and specialized equipment, the first of its kind in Quebec. Masonry blocks will be cured under controlled conditions to produce a superior product.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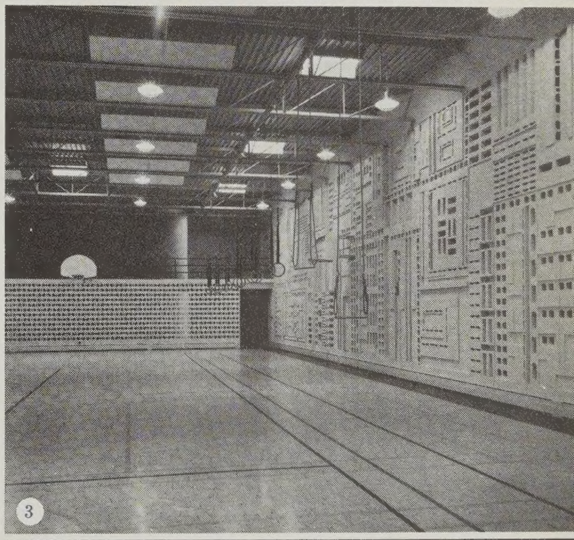
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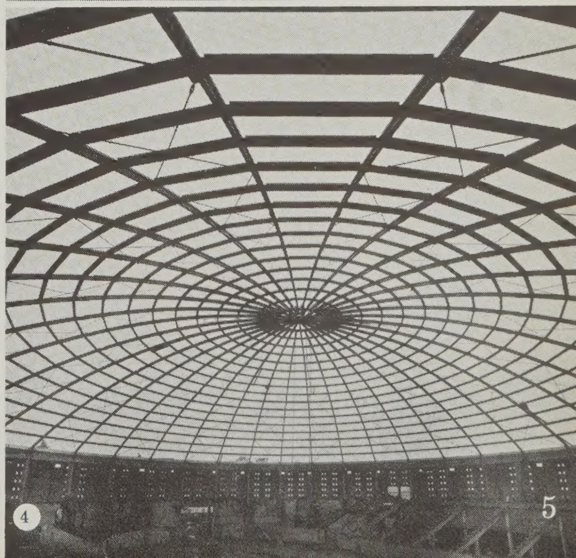
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1 96″ Concrete Pressure Pipe Installation.
2 18″ Ductile Iron Pipe Installation.
3 Presco Concrete Blocks.
4 Unique Structural Steel Dome Roof.

*Trade Mark

Autojack Electromatic Tamping Machine.

Railway Equipment

This Company continues to be a major supplier to the railway industry. Track maintenance equipment of our own design has experienced significant growth in the past several years. The Autojack Electromatic, a tamping machine that also corrects surface irregularities automatically, has good acceptance in Canada, United States, Mexico, South America, and Australia and is currently being introduced in the United Kingdom.

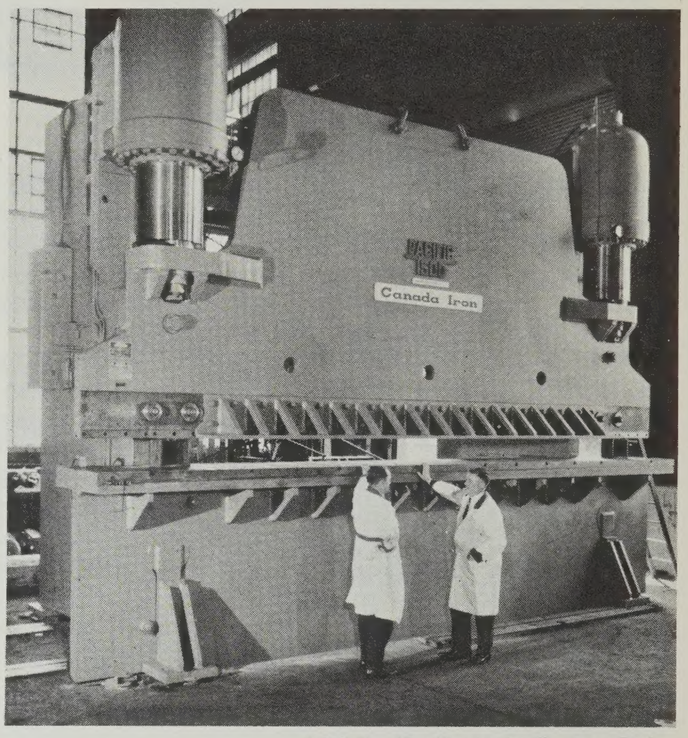
During the year, two new track maintenance machines were designed and produced, the Junior Electromatic and the Universal Autojack, which are being actively promoted.

Machinery

The high cost on low domestic volume has been a major problem for Canadian manufacturers of machinery. However, a large increase in demand has been forecast for the domestic market and the possibilities of expanding exports foretell a bright future for this industry.

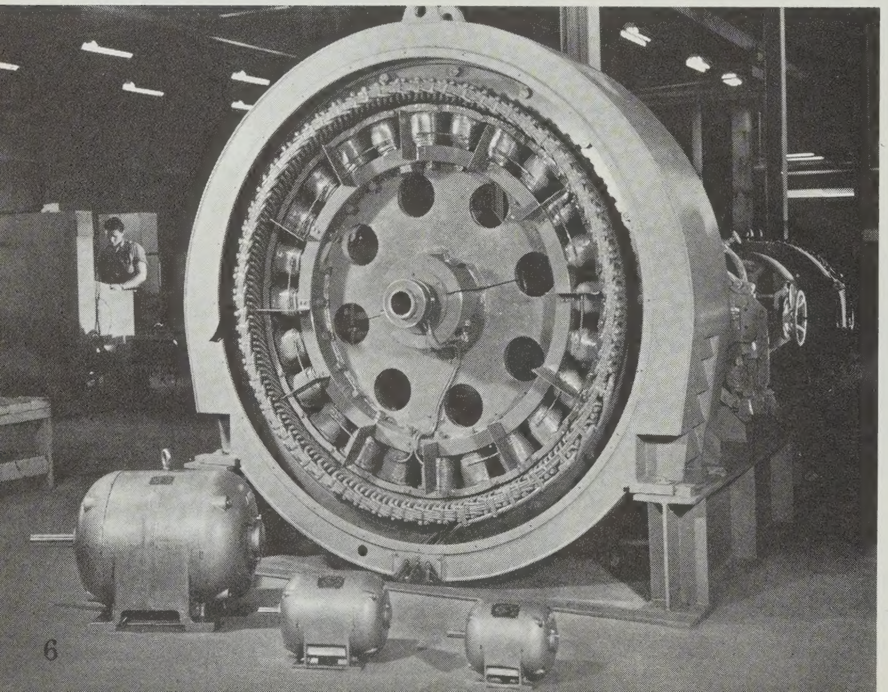
Shipments of machinery from the Company's Trois-Rivières plant during 1963 reached a new high as did the year-end order backlog. Amongst the work completed was a 4 stand 4 high rolling mill for the basic steel industry. Capable of producing rolled steel sheet up to 72″ wide, it is the largest of its kind installed in Canada. A complete combination shearing, slitting, and side trimming line to process hot rolled strip steel, again the country's largest, was manufactured for one of the primary steel producers.

Sales of sheet metal working machinery showed a substantial improvement. The demand for pulp and paper machinery remained high and is expected to continue in the current year.



1500 Ton 'Pacific' Hydraulic Press Brake.

"Tamper" Electric Motors.



Electrical Equipment

The sales volume of Tamper* electric motors has steadily increased and still more rapid growth has been achieved in generator sets and variable speed drives. The price structure, although below satisfactory levels, improved somewhat during the year. Important new additions to manufacturing facilities will be carried forward during the year.

Of special note was the receipt of a single order in excess of eight million dollars for electric traction systems for the Montreal subway system. These systems, of similar design to those used in the Métro in Paris, France, require the production of over 1000 traction motors, 250 control units, generator sets and current pick-up mechanisms. These will be built in the Company's plant at Lachine, Quebec, with delivery to commence in late 1964 with the final shipments scheduled for late 1966.

*Trade Mark

Foundry Products

In the 1962 annual report, it was stated that studies of future markets showed the need to rearrange and consolidate production facilities. A new high pressure mechanical moulding line was installed at the St. Thomas plant. Involving an expenditure of $900,000, this equipment produces a wide range of gray iron and ductile iron castings of exceptional uniformity and dimensional precision. The manufacture of many of the products will be consolidated at this location and the facilities will allow access to markets not hitherto feasible.

Alloy iron castings produced in the electric furnace of the alloy foundry at Hamilton meet exacting requirements for high strength, abrasion and corrosion resistance. The results, both volume and profit, of this area of the Company's business have been very encouraging, and we are planning an expansion of our manufacturing facilities which will allow us to serve this exacting market more fully.

The tonnage of ingot moulds and other heavy castings for Canadian steel mills was very substantial during the year. A third order for cast iron tunnel liners for the Toronto subway has brought the total output of this product to over 40,000 tons. This valuable experience has placed the Company in a very advantageous position for additional work of this type.

Agency and Warehouse Sales

Staffed by technical and engineering sales specialists, the Company's agency sales division markets nationally a wide variety of supplies and equipment of domestic and imported origin to Canadian industry.

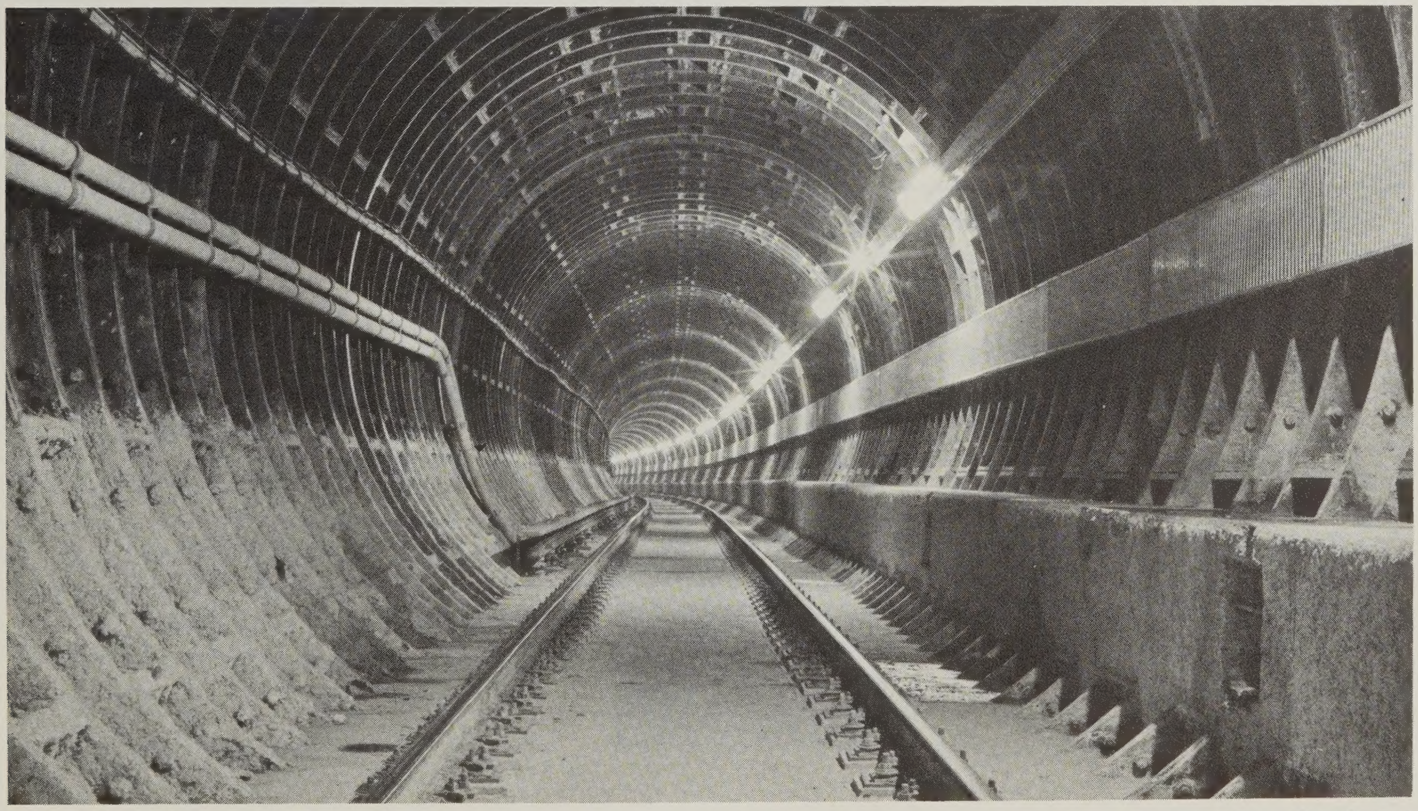
Increased out-of-warehouse commodity sales achieved more advantageous use of warehouse facilities and contributed to a marked improvement in earnings despite an overall decrease in sales. Sales of highly specialized electric motor control apparatus and of instrumentation and other precision aircraft components showed steady growth.

Personnel

Employee wage, salary and benefit policies are under constant review and, with periodic adjustments and improvements, ensure that the Company remains in the forefront in this regard. Our relations with the labour unions who bargain on behalf of many of the company's employees, have been maintained on a stable and reasonable basis.

Being convinced of the beneficial results to be obtained from management development, the Company sponsors seminars and encourages attendance at courses conducted by universities and management associations.

In accordance with established policy employees displaced by the termination of certain of the Company's operations were transferred to other jobs in the Company or were given active assistance in finding other employment.



Cast Iron Subway Tunnel Liners.

Statistical Review

	1963	1962	1961	1960
Sales	*$100,279,000*	$110,009,000	$100,801,000	$101,346,000
Income Taxes	*$ 1,700,000*	$ 1,690,000	$ 1,235,000	$ 1,724,587
Net Earnings	*$ 1,896,605*	$ 1,641,526	$ 2,152,187	$ 1,736,264
Dividends on Preferred Shares	*$ 181,709*	$ 181,709	$ 181,709	$ 181,709
Dividends on Common Shares	*$ 809,874*	$ 809,874	$ 809,874	$ 911,108
Earnings per Common Share	*$2.11*	$1.80	$2.43	$1.92
Dividends per Common Share	*$1.00*	$1.00	$1.00	$1.12½
Working Capital	*$ 18,814,150*	$ 19,164,278	$ 17,561,688	$ 17,583,989
Capital Expenditures	*$ 4,002,553*	$ 2,338,648	$ 1,991,072	$ 1,417,626
Depreciation	*$ 2,289,612*	$ 2,585,837	$ 2,613,399	$ 2,266,468
Bank Advances	*$ 8,677,882*	$ 14,171,756	$ 12,448,649	$ 14,017,666
Funded Debt	*$ 8,782,000*	$ 9,627,000	$ 10,472,000	$ 12,266,500
Number of Employees	*4,210*	4,725	4,670	5,172
Number of Common Shareholders	*5,062*	5,231	5,327	4,850
Common Shares Outstanding	*809,874*	809,874	809,874	809,874
Book Value per Common Share	*$30.11*	$29.00	$28.20	$26.76

1959	1958	1957	1956	1955	1954
$105,712,000	$ 88,255,000	$ 85,277,000	$ 86,766,000	$ 67,487,000	$ 58,976,000
$ 1,790,140	$ 2,226,637	$ 2,302,475	$ 3,793,800	$ 2,187,000	$ 2,320,000
$ 463,635	$ 2,454,983	$ 2,484,188	$ 4,383,919	$ 2,593,554	$ 2,359,752
$ 187,108	$ 205,300	$ 207,236	$ 159,375	—	—
$ 1,209,089	$ 1,136,603	$ 1,079,500	$ 1,056,994	$ 890,938	$ 708,903
$0.34	$2.84	$3.15	$5.94	$3.71	$3.38
$1.50	$1.50	$1.50	$1.50	$1.27½	$1.20
$ 16,996,670	$ 21,156,927	$ 21,447,432	$ 19,805,794	$ 13,649,746	$ 13,667,920
$ 4,690,931	$ 2,284,317	$ 7,805,263	$ 2,886,627	$ 2,114,897	$ 1,479,264
$ 2,319,885	$ 2,288,494	$ 2,394,627	$ 1,512,018	$ 1,568,255	$ 1,225,646
$ 17,926,195	$ 17,542,857	$ 14,050,478	$ 8,598,558	$ 4,981,899	$ 628,600
$ 13,177,000	$ 14,092,000	$ 14,057,000	$ 7,382,692	$ 7,873,606	$ 8,398,606
5,421	5,045	4,859	5,251	4,590	4,200
4,712	4,725	4,860	4,998	5,130	5,104
809,874	793,218	722,254	711,475	698,775	698,775
$25.97	$26.91	$27.86	$26.23	$22.03	$25.97

Consolidated

As at December 31, 19

Assets

	1963	1962
Current Assets		
Cash	641,883	323,440
Government guaranteed bonds — at cost		
(quoted market value $199,000)	224,683	399,038
Accounts receivable, less provision for doubtful accounts	20,815,152	23,857,836
Inventories — at the lower of cost or market	17,093,894	21,088,211
Prepaid expenses	453,010	312,235
Total current assets	39,228,622	45,980,760
Investment in other Companies		
Shares — at cost	843,920	819,920
Fixed Assets		
Property, plant and equipment — at cost	47,954,898	45,048,893
Accumulated depreciation	28,717,816	27,248,419
	19,237,082	17,800,474
Unamortized Debenture Discount	262,078	287,536
	$59,571,702	$64,888,690

Signed on behalf of the Board

H. J. Lang
Ross Clarkson } DIRECTORS

Balance Sheet

(with comparative figures for 1962)

Liabilities

	1963	1962
Current Liabilities		
Bank advances	8,677,882	14,171,756
Accounts payable and accrued expenses	10,337,893	11,217,808
Dividends payable	247,896	247,896
Income taxes	305,801	334,022
Funded debt maturing within one year	845,000	845,000
Total current liabilities	20,414,472	26,816,482
Deferred Income Taxes	2,550,000	1,525,000
Funded Debt — not maturing within one year (see schedule)	7,937,000	8,782,000

Shareholders' Equity

	1963	1962
Preferred Shares		
Authorized — 100,000 preferred shares of $100 par value		
Issued and fully paid — 42,755 4¼% cumulative convertible redeemable preferred shares 1956 series	4,275,500	4,275,500
Common Shares		
Authorized — 2,000,000 common shares of $10 par value		
Issued and fully paid — 809,874 common shares	8,098,740	8,098,740
Retained Earnings	16,295,990	15,390,968
	28,670,230	27,765,208
	$59,571,702	$64,888,690

Canada Iron

Consolidated Statement of Earnings

For the year ended December 31, 1963 (with comparative figures for 1962)

	1963	1962
Sales	100,279,000	110,009,000
Costs and Expenses		
Cost of sales, selling and administrative expenses	93,610,161	103,198,876
Remuneration of executive officers	335,433	315,867
Directors' fees	19,000	19,500
Legal fees	62,943	45,929
Interest on funded debt	545,982	591,444
Amortization of debenture discount	25,458	25,458
Depreciation of property, plant and equipment	2,289,612	2,585,837
	96,888,589	106,782,911
	3,390,411	3,226,089
Other Income		
Income from investments	126,351	39,592
Profit on disposal of fixed assets	79,843	65,845
	3,596,605	3,331,526
Provision for Income Taxes	1,700,000	1,690,000
Net Earnings for the Year	$ 1,896,605	$ 1,641,526

Consolidated Statement of Retained Earnings

For the year ended December 31, 1963 (with comparative figures for 1962)

	1963	1962
Balance at Beginning of Year	15,390,968	14,741,025
Net earnings for the year	1,896,605	1,641,526
	17,287,573	16,382,551
Dividends —		
On 4¼% preferred shares	181,709	181,709
On common shares	809,874	809,874
	991,583	991,583
Balance at End of Year	$16,295,990	$15,390,968

Consolidated Statement of Source and Application of Funds

For the year ended December 31, 1963

Funds were Provided from:		
Net earnings		1,896,605
Charges not requiring the outlay of funds:		
Depreciation	2,289,612	
Debenture discount	25,458	
Increase in deferred income taxes	1,025,000	3,340,070
		5,236,675
Funds were Applied to:		
Fixed assets — less proceeds from disposals	3,726,220	
Investment in other companies	24,000	
Debentures redeemed	845,000	
Dividends	991,583	5,586,803
Decrease in Working Capital		$ 350,128

Schedule of Funded Debt

As at December 31, 1963 (with comparative figures for 1962)

		1963	1962
4¾% Sinking fund debentures, series "A", due December 15, 1965	3,500,000		
Sinking fund requirements — $400,000 on December 15, 1961 to 1964 Redeemed to date	1,200,000	2,300,000	2,700,000
5¾% Sinking fund debentures, series "B", due April 15, 1969	1,652,000		
Sinking fund requirements — $70,000 on April 15, 1958 to 1965, $272,000 on April 15, 1966 to 1968 Redeemed to date	420,000	1,232,000	1,302,000
6¼% Sinking fund debentures, series "C", due October 15, 1977	7,500,000		
Sinking fund requirements — $375,000 on October 15, 1958 to 1976 Redeemed to date	2,250,000	5,250,000	5,625,000
		$8,782,000	$9,627,000

Funded Debt

	1963	1962
Maturing within one year	845,000	845,000
Not maturing within one year	7,937,000	8,782,000
	$8,782,000	$9,627,000

McDONALD, CURRIE & CO.
CHARTERED ACCOUNTANTS

INTERNATIONAL FIRM
COOPERS & LYBRAND

TELEPHONE 875-5140
630 DORCHESTER BOULEVARD WEST
MONTREAL 2, CANADA

February 13, 1964

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Canada Iron Foundries, Limited and subsidiary companies as at December 31, 1963 and the consolidated statements of earnings and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the companies, the accompanying consolidated balance sheet and consolidated statements of earnings and retained earnings are properly drawn up so as to exhibit a true and correct view of the consolidated state of the affairs of the companies as at December 31, 1963 and the consolidated results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

McDonald, Currie & Co.

CHARTERED ACCOUNTANTS

Canada Iron Products

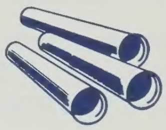
Iron Castings

Ingot Moulds, Brake Shoes, Industrial Wheels, Gray Iron Castings, Alloy Iron Castings.

Machinery & Railway Equipment

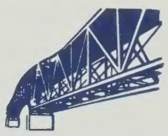
Custom Machinery, Presses, Mill Machinery, Press Brakes & Shears, Pulp & Paper Mill Machinery, Speed Reducers, Railway Track Maintenance Equipment.

Pipe and Related Products



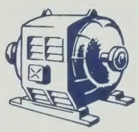
Cast Iron Pipe, Concrete Pressure Pipe, Sewer and Culvert Pipe, Fittings, Municipal Castings, Hydrants, Sluice Gates, Valves.

Steel & Concrete Structural Products



Structural Steel for Buildings & Bridges, Steel Joists, Reinforcing Steel, Warehouse Steel, Towers, Concrete Masonry Products.

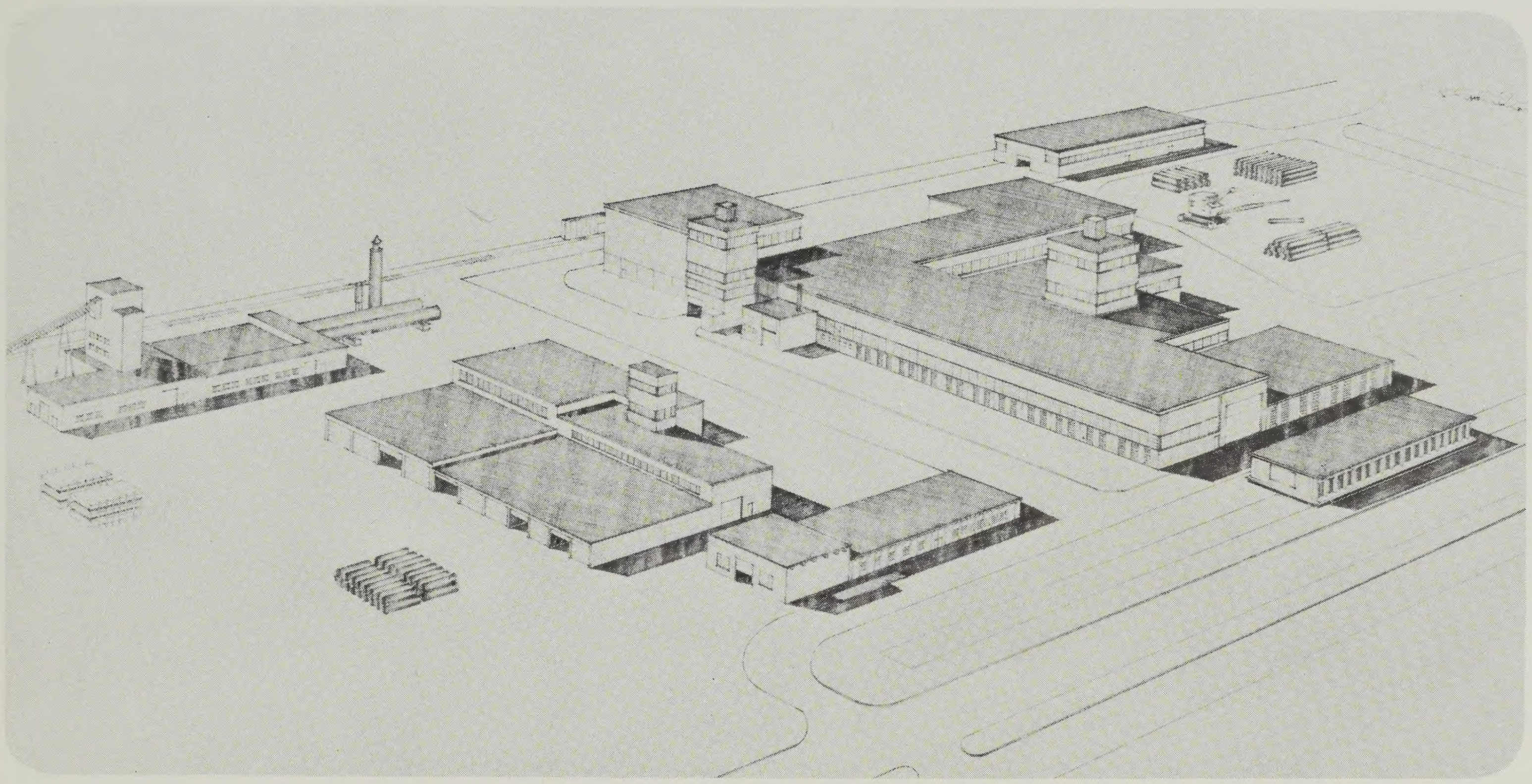
Electrical Equipment



Electric Motors, Generators, Variable Speed Drives.

Industrial Equipment and Supplies — Sales Agency

Electric Motor Control Apparatus, Instrumentation & Electronic Products, Pumps, Stainless Steels, Rail, Bus, Truck & Aviation Products, Hydraulic & Pneumatic Products, Materials Handling Equipment.



Canada Iron's new Concrete Products Plant located at Ville D'Anjou (Montreal) Quebec. Floor space — 195,800 sq. ft.